



The relief described hereinbelow is SO ORDERED.

Signed March 11, 2021.

A handwritten signature in black ink, appearing to read "H. Mott", written over a horizontal line.

**H. CHRISTOPHER MOTT
UNITED STATES BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

In re:	§	
	§	Case No.: 21-30067
5401 Montoya Dr. El Paso	§	Chapter 11
Texas, LLC,	§	Subchapter V
	§	
<i>Debtor.</i>	§	

**FINAL ORDER AUTHORIZING
LIMITED USE OF CASH COLLATERAL**

This cause came before the Court on March 10, 2021 at 1:30 p.m. upon the scheduled final hearing (the “Final Hearing”) on the Debtor In Possession’s Amended Motion to Authorize the Use of Cash Collateral filed February 11, 2021 (Dkt#19) (the “Motion”). Upon consideration of the Motion and the Objection thereto filed by El Paso National Mortgage (the “Lender”), representations of counsel at the Final Hearing and all other matters of record, the Court hereby finds:

- A. The Debtor filed its petition for relief under Chapter 11 of the Bankruptcy Code on February 1, 2021 (the “Petition Date”). Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtor

remains in possession of its assets and has continued the operation and management of the business in this reorganization case.

- B. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2), involving matters under 11 U.S.C. § 1408.
- C. The Debtor asserts that it owns a group home which provides a commercial residence to senior citizens and that the home capacity is seven residents and a staff member, which is located at 5401 Montoya, El Paso, Texas 79932 (the “Property”). Mr. Giron, sole member of the Debtor LLC in this case, maintains a residence there as well.
- D. The Debtor asserts that it is party, as borrower, to that certain Renewal and Extension Deed of Trust dated November 18, 2019 with the Lender. The Debtor further asserts that the Debtor executed a promissory note in favor of Lender. As of the Petition Date, the Debtor asserts that the outstanding balance owed to Lender is approximately \$364,828.39.
- E. The Debtor asserts that Debtor’s real property is also subject to a lien held by the City of El Paso for ad valorem taxes in the amount of \$11,848.53 (Claim#1).
- F. The revenue from the Business may constitute Cash Collateral as that term is defined in 11 U.S.C. § 363 (the “Cash Collateral”). The Debtor believes that Lender and the City of El Paso may assert an interest in the Cash Collateral.
- G. The Debtor asserts that it has provided actual notice of the Motion and the relief requested to the Lender, to each of Debtor’s Twenty Largest Unsecured Creditors and the United States Trustee and Chapter 11 Subchapter V Trustee.
- H. The Debtor alleges that an immediate need exists for the Debtor to obtain use of the Cash Collateral to fund critical operations of the Business. A schedule of the Debtor’s revenues and cash requirements for the next 13 weeks is set forth in the budget (the “Budget”) attached to this Order as Exhibit “A.”
- I. The Debtor alleges that in order to continue the Debtor’s operations and to preserve the value of Debtor’s assets, the Debtor requires the use of Cash Collateral in accordance with this Order.

- J. Good cause has been shown for entry of this final Order and authorization for Debtor to continue to use cash collateral on a limited basis as set forth below.

Accordingly, it is hereby

ORDERED, ADJUDGED AND DECREED:

1. The Motion is GRANTED as provided in this order. The Debtor is authorized to use “cash collateral” only upon the following terms and conditions:
2. The Debtor is authorized to continue use of the Cash Collateral as set forth in the Budget attached to this final order only through May 3, 2021. However, the Debtor shall make only one additional adequate protection payment to the Lender of \$2,835.00 by April 15, 2021. Upon entry of this order, Debtor may obtain an appropriate commercial insurance policy including full replacement-cost fire and hazard coverage for the Property and general commercial liability coverage for Debtor with coverage limits of no less than \$1,000,000 per occurrence. The Debtor shall at least maintain its current property insurance through May 3, 2021. The Debtor is also authorized to use up to \$1,500.00 of cash collateral to pay for the moving and transitioning expenses of rent-paying residents.
3. In order to provide adequate protection for the Debtor’s use of the Cash Collateral authorized hereunder, the Lender and any other secured creditor, to the extent they hold valid liens, security interests, or rights of setoff as of the Petition Date under applicable law, are hereby granted valid and perfected liens (the “Adequate Protection Liens”) on all property acquired by the Debtor after the Petition Date that is the same or similar nature, kind, or character as each Lender’s respective pre-petition collateral, to the extent of any diminution in value of the Cash Collateral, except that no such replacement liens shall attach to the proceeds of any avoidance actions under Chapter 5 of the Bankruptcy Code. The Adequate Protection Liens shall be deemed automatically valid and perfected upon entry of this Order; provided, however, the statutory ad valorem tax lien(s) of the City of El Paso on the Debtor’s real property shall not be primed by nor made subordinate to any liens granted to any party hereby and the said ad

valorem tax lien(s) are fully preserved. The Debtor shall maintain the Property in its present condition (reasonable wear and tear excepted). Debtor shall provide Lender and its authorized agents with access to the Property, for purposes of inspecting the Property, upon reasonable notice.

4. Nothing herein shall be construed as a finding or conclusion that the Lender or Debtor or any other party holds a valid security interest, lien, or any interest in any of the Debtor's assets, and all parties' rights with respect to such issues is reserved.
5. This Order is entered without prejudice to the rights of either the Lender or the Debtor to seek a modification of the terms hereof after notice and a hearing, and without prejudice to the right of Debtor to object to any claim.

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PREPARED BY:

/s/ Timothy V. Daniel

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Timothy V. Daniel, PC

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COUNSEL FOR DEBTOR

5401 Montoya Dr. El Paso Texas LLC
Revised March 8, 2021

EXHIBIT "A"**REVENUE**

	02/01/21	02/08/21	02/15/21	02/22/21	03/01/21	03/08/21	03/15/21	03/22/21	03/29/21	04/05/21	04/12/21	04/18/21	04/26/21	05/03/21	13 week Total
Resident	\$ 2,000.00				\$ 2,000.00				\$ 2,000.00					\$ 2,000.00	\$ 8,000.00
Resident	\$ 2,000.00				\$ 2,000.00				\$ 2,000.00					\$ 2,000.00	\$ 8,000.00
Resident	\$ 2,500.00				\$ 2,500.00				\$ 2,500.00					\$ 2,500.00	\$ 10,000.00
Resident	\$ 2,000.00				\$ 2,000.00				\$ 2,000.00					\$ 2,000.00	\$ 8,000.00
Resident	\$ 2,000.00				\$ 2,000.00				\$ 2,000.00					\$ 2,000.00	\$ 8,000.00
Resident	\$ 2,500.00				\$ 2,500.00				\$ 2,500.00					\$ 2,500.00	\$ 10,000.00
Resident					\$ 1,500.00				\$ 1,500.00					\$ 1,500.00	\$ 4,500.00
Resident															
Resident															
Resident															
WEEKLY TOTAL	\$ 13,000.00	\$ -	\$ -	\$ -	\$ 14,500.00	\$ -	\$ -	\$ -	\$ 14,500.00	\$ -	\$ -	\$ -	\$ -	\$ 14,500.00	\$ 56,500.00

EXPENSES

Contract Labor (3)	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00	\$ 20,300.00
Mortgage, Taxes and Ins	\$ 3,623.38				\$ 3,623.38				\$ 3,623.38					\$ 3,623.38	\$ 14,493.52
Escrow Account									\$ 776.62					\$ 776.62	\$ 1,553.24
Commercial Insur					\$ 500.00				\$ 500.00					\$ 500.00	\$ 1,500.00
2020 Property Taxes									\$ 1,850.00					\$ 1,850.00	\$ 3,700.00
El Paso Water		\$ 160.00				\$ 160.00				\$ 160.00				\$ 160.00	\$ 640.00
EPEC		\$ 160.00				\$ 160.00				\$ 160.00				\$ 160.00	\$ 640.00
Spectrum Cable	\$ 375.00		\$ 375.00				\$ 375.00				\$ 375.00				\$ 1,500.00
Groceries	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,500.00
Cleaning Supplies	\$ 300.00				\$ 300.00				\$ 300.00					\$ 300.00	\$ 1,200.00
Clerical Supplies	\$ 280.00				\$ 280.00				\$ 280.00					\$ 280.00	\$ 1,120.00
Ground Maintenance	\$ 150.00		\$ 150.00		\$ 150.00		\$ 150.00		\$ 150.00		\$ 150.00		\$ 150.00	\$ 150.00	\$ 1,050.00
Miscellaneous	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 1,680.00
Taxes		\$ 1,500.00				\$ 1,500.00				\$ 1,500.00				\$ 1,500.00	\$ 6,000.00
															\$ -
WEEKLY TOTAL	\$ 6,548.38	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 6,673.38	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 9,300.00	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 2,550.00	\$ 8,890.00	\$ 52,876.76

SUMMARY

Increase in cash for week	\$ 13,000.00	\$ 6,451.62	\$ 4,311.62	\$ 1,966.62	\$ 14,646.62	\$ 7,973.24	\$ 5,833.24	\$ 3,488.24	\$ 16,168.24	\$ 6,868.24	\$ 4,728.24	\$ 2,383.24	\$ 563.24	\$ 12,513.24	\$ 56,500.00
Cash disbursement for week	\$ 6,548.38	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 6,673.38	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 9,300.00	\$ 2,140.00	\$ 2,345.00	\$ 1,820.00	\$ 2,550.00	\$ 8,890.00	\$ 52,876.76
Cash balace end of week	\$ 6,451.62	\$ 4,311.62	\$ 1,966.62	\$ 146.62	\$ 7,973.24	\$ 5,833.24	\$ 3,488.24	\$ 1,668.24	\$ 6,868.24	\$ 4,728.24	\$ 2,383.24	\$ 563.24	\$ (1,986.76)	\$ 3,623.24	\$ 3,623.24